



ORGANIZATION FOR THE PROTECTION
AND ADVANCEMENT OF SMALL
TELEPHONE COMPANIES

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APR 14 1993

April 14, 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
Room 222
1919 M Street, NW
Washington, DC 20554

Re: Safeguards to Improve the
Administration of the Interstate
Access Tariff and Revenue
Distribution Processes
CC Docket No. 93-6
RM 7736

Dear Ms. Searcy:

Please find enclosed for filing the original and eleven copies of the Organization for the Protection and Advancement of Small Telephone Companies' comments in the above-captioned proceeding.

Thank you for your assistance in this matter.

Sincerely,

Lisa M. Zaina (MM)

Lisa M. Zaina
General Counsel

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APR 14 1993

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Safeguards to Improve the
Administration of the Interstate
Access Tariff and Revenue
Distribution Process

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CC Docket No. 93-6
RM 7736

**COMMENTS OF
THE ORGANIZATION FOR THE PROTECTION AND
ADVANCEMENT OF SMALL TELEPHONE COMPANIES**

OPASTCO
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COMMENTS OF
THE ORGANIZATION FOR THE PROTECTION AND
ADVANCEMENT OF SMALL TELEPHONE COMPANIES

The Organization for the Protection and Advancement of Small Telephone Companies (OPASTCO) hereby submits these comments in the above-captioned proceeding.¹ The existence of the National Exchange Carrier Association (NECA) is crucial to the well-being of the small and rural companies that OPASTCO represents. Therefore, OPASTCO finds that it is important to participate in this proceeding to underscore the importance of NECA to small LECs and ensure that NECA is able to continue to provide these vital services. The composition of the NECA Board of Directors (NECA Board) is of particular interest to small and rural companies. Consequently, OPASTCO will concentrate on that portion of the NPRM that addresses this issue.

¹Safeguards to Improve the Administration of the Interstate Access Tariff and Revenue Distribution Processes, Notice of Proposed Rulemaking, CC Docket No. 93-6, FCC 93-25, released

OPASTCO is a national trade association of more than 400 independently owned and operated telephone companies serving rural areas of the United States and Canada. Its members, which include both commercial companies and cooperatives, together serve almost two million customers. Many of OPASTCO's members rely on NECA as their tariff filing agent. Moreover, they participate in the pools administered by NECA. Consequently, NECA's well-being is vital to OPASTCO member companies.

The composition of the NECA Board is very important to small and rural LECs. There are many activities that NECA performs that allow these LECs to efficiently serve their subscribers. First, NECA administers revenue pools for interstate access services. Monthly payments from these pools provide the companies with more predictable cash flows than they could achieve individually. NECA also administers the Universal Service Fund (USF), a Federal/State program that helps to offset the high operating costs of some telephone companies, enabling them to keep local rates at reasonable levels. Moreover, NECA develops formulas to achieve average schedule pool settlements that simulate cost company settlements. Average schedule companies receive pool settlements based on their demand units, rather than conduct cost studies. In addition, NECA administers the low income subscriber assistance programs. A strong Board of Directors is needed for all of the important functions that NECA performs.

companies. A great number of the Subset III companies participate directly in the NECA pools and tariffs. In addition, the Subset III directors represent companies of disparate characteristics and needs.

There are many differences among the Subset III companies. Among those companies are average schedule companies, cost companies, companies with as few as 100 lines to those with 50,000 access lines, PEA borrowers, companies that are

composition that the Subset III companies require at least the percentage of directors that they have.

CONCLUSION


OPASTCO is very interested in this proceeding. In the representation of small and rural companies, it is very important to OPASTCO that NECA remain a strong organization. The key to this strength will be the addition of the two outside directors on a permanent basis. In addition, the current composition of nine Subset III, three Subset II and three Subset I directors must be maintained.

Respectfully submitted,

**THE ORGANIZATION FOR THE
PROTECTION AND ADVANCEMENT**

CERTIFICATE OF SERVICE

I, Megan A. Gillispie, hereby certify that a copy of OPASTCO's comments was sent on this, the 14th day of April, 1993, by first class United States mail, postage prepaid, to those listed below.

A handwritten signature in cursive script that reads "Megan A. Gillispie". The signature is written in dark ink and is positioned above a horizontal line.

Megan A. Gillispie

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